TAIFLEX SCIENTIFIC CO., LTD.

Meeting Minutes of 2026 Annual Shareholders' Meeting

Time: 9:00 a.m., May 27, 2026

Place: No.1, Huanqu 3rd Rd., Qianzhen Dist., Kaohsiung City

Meeting type : physical shareholders meeting

Attendance: The shareholders present in person or by proxy represented 193,814,938 shares (including 54,853,707 shares attended through electronic means), which accounted for 73.50% of the total shares outstanding.

Directors present: Yung-Heng Chen, Fu-Le Lin, Chein-Ming Hsu

Independent Directors present: Wen-I Lo, convener of the Audit Committee; Shi-Chern Yen, convener of the Sustainable Development Committee

Guests: Guo-Sen Hung, CPA; Zong-Han Jiang, General Manager; Chin-Fu Lin, Lawyer

Chairperson: Yung-Heng Chen, Chairperson of the Board Recorder: Yi-Jiun Chen

I. Chairperson's Opening Remarks (omitted)

Shareholder Questions and Company Responses: (Summary below)

Remarks and Questions from Shareholder (No. 7000018)：

The shareholder raised an objection to the legality of the convocation of this Annual General Meeting, alleging that the meeting procedures violated applicable laws and regulations and therefore rendered the shareholders' meeting invalid. The shareholder requested that the content of the statement be recorded in the meeting minutes.

The shareholder stated that Chiao Mei convened a board meeting on April 2, 2026, and appointed Mr. Yung-Heng Chen as its representative director to serve on Taiflex's Board of Directors. However, the notice for such board meeting was allegedly not issued at least seven days in advance as required by Chiao Mei's Articles of Incorporation, thereby violating the relevant provisions. A lawsuit has reportedly been filed and is currently being heard by the Kaohsiung District Court. Based on the foregoing, the shareholder questioned the legitimacy of Mr. Yung-Heng Chen's appointment as Taiflex director representing Chiao Mei and inquired whether Taiflex was aware of the matter and had taken any corresponding actions.

The shareholder further questioned how Taiflex was able to convene a board meeting and elect Mr. Yung-Heng Chen as Chairman on the same day, April 2, 2026. The shareholder asked whether such action likewise violated the requirement of providing a seven-day prior notice. In addition, the shareholder noted that the Economic Daily News published an article regarding the change of chairman at approximately 3:00 p.m. that day, which was earlier than the board meeting reportedly held at 5:00 p.m. and the material information announcement released at 6:00 p.m. The shareholder therefore questioned whether the procedures complied with corporate governance principles and whether the board meeting had in fact been duly convened.

Response from the Chairperson or Designated Representative：(Summary below)
The convocation procedures for the Annual General Meeting held on May 27, 2026, were approved by a duly constituted Board of Directors before Mr. Yung-Heng Chen assumed the position of Chairman. Accordingly, the convocation procedures were lawful and valid.
Taiflex and Chiao Mei maintain only a shareholder relationship. Taiflex is not aware of the details of the internal litigation involving Chiao Mei. At present, the registration of Mr. Yung-Heng Chen as Chairman has been duly approved by the competent authority. Unless and until a final court judgment determines otherwise or the competent authority revokes such registration, the exercise of his powers and duties remains lawful and does not affect the proceedings of this shareholders' meeting.
As the matters raised by the shareholder are unrelated to the proposals under deliberation at today's meeting, and the shareholder has already expressed his views which will be recorded accordingly, the Chairperson was requested to proceed with the agenda in order to facilitate the orderly conduct of the meeting.

II. Report Items

1. Distribution of 2025 remuneration to directors and compensation to employees (Please refer to the meeting agenda.)
2. Business report for 2025 (Please refer to the meeting agenda.)
3. Audit Committee’s review report on 2025 financial statements. Please refer to Attachment I.
4. Cash dividends for 2025 earnings distribution (Please refer to the meeting agenda.)
5. Status of share repurchase implementation (Please refer to the meeting agenda.)
6. Status of implementation of the improvement plan for the subsidiary’s excess fund lending and endorsements/guarantees (Please refer to the meeting agenda.)

Shareholder Questions and Company Responses: (Questions are unrelated to the aforementioned proposals and are presented in summary form.)

Remarks and Questions from Shareholder (No. 7000018)：

With respect to the concerns previously raised, the attorney only addressed the issue of the legality of the shareholders' meeting convocation procedures. The shareholder requested that the Company further explain the remaining issues, including the procedures for convening Taiflex's emergency board meeting on April 2 and the fact that media reports were published before the release of the Company's material information announcement.

In addition, upon reviewing the Business Report and the Statement of Earnings Distribution included in the Shareholders' Meeting Handbook, the shareholder noted that the seal of the legal representative affixed to such documents remained that of Mr. Ta-Wen Sun rather than the current Chairman, Mr. Yung-Heng Chen. Since the chairman position was changed on April 2, the shareholder questioned whether the relevant documents should have been executed by the newly appointed chairman. The shareholder further inquired whether the current practice had been undertaken with the consent of Mr. Ta-Wen Sun and whether such use of seals complied with applicable accounting standards and legal requirements.

Response from the Chairperson or Designated Representative：(Summary below)

The proposals contained in the Shareholders' Meeting Handbook were approved by the Board of Directors on March 3. As Mr. Ta-Wen Sun was the Company's legal representative at the time the proposals were approved, the relevant documents were executed and sealed in accordance with his authority at that time. The Company further consulted with the competent authority and confirmed that the publication and execution of such documents should be based on the information of the responsible person in office at the time the Board resolutions were adopted. Accordingly, the procedures complied with applicable laws and regulations.

Regarding the board meeting held on April 2, the position of Chairman was vacant at that time. In order to prevent any interruption to the Company's operations, the situation qualified as an emergency under applicable laws and the Company's Articles of Incorporation, permitting a board meeting to be convened at any time. In accordance with the law, the directors elected one among themselves to serve as convener and chairperson of the meeting. All procedures were duly completed, the relevant registration changes were duly filed, and the competent authority has recognized and approved such actions.

After becoming aware of the news report published on the same day, the Company immediately lodged a strong protest with the Economic Daily News. The report was published after the Company announced the change of the institutional director representative, and the reporter independently prepared the article based on the Company's public announcement. All relevant announcements and information disclosures were made in accordance with applicable regulations.

III. Ratification Items

Subject: To ratify the 2025 financial statements (Proposed by the Board of Directors)

Explanation:
1. The 2025 business report and consolidated and parent company only financial statements, which were audited by Certified Public Accountants of Ernst & Young, Kuo-Sen Hung and Ching-Piao Cheng, were reviewed by the Audit Committee.
2. Please refer to Attachment II for the financial statements.
3. Please ratify the above-mentioned financial statements.

Resolution: The voting result showed that 170,279,224 votes were in favor of the proposal, which accounted for 87.85% of the total represented shares present; 3,725,815 votes were against the proposal; 19,809,899 votes were abstained/withhold; and there was no invalid vote. The proposal was ratified by the majority of voting rights represented at the time of voting.

Shareholder Questions and Company Responses: (Questions are unrelated to the aforementioned proposals and are presented in summary form.)

Remarks and Questions from Shareholder (No. 147706)：

As the Company is headquartered in Kaohsiung, why are shareholders holding odd-lot shares unable to collect the shareholders' gift in Kaohsiung? Why is collection limited to Taipei?

Response from the Chairperson or Designated Representative：(Summary below)

The arrangement for odd-lot shareholders to collect the shareholders' gift is made in accordance with applicable laws and regulations. The Company has considered the overall meeting procedures, as well as the related administrative and cost factors, in making the arrangement in compliance with legal requirements.

The Chairperson thanked the shareholder for the question and stated that the Company would further review and evaluate the relevant distribution arrangements.

IV. Election Items

Subject: To hold a full re-election of directors (Proposed by the Board of Directors)

Explanation:

1. The 10th term of directors of the Company expires on May 29, 2026. Pursuant to Article 195 of the Company Act, a full re-election shall be held to elect new directors.
2. In compliance with the Articles of Incorporation, the Company shall elect nine directors (including three independent directors) to serve a term of three years. Their tenure starts right after the shareholders' meeting. The tenure of newly elected directors commences on May 27, 2026 and expires on May 26, 2029. Directors are eligible for re-election.
3. In compliance with the Articles of Incorporation, the election of directors adopts the candidate nomination system. Please refer to Attachment III for the List of Director Candidates.
4. Please hold the election.

Election result:

Taiflex Scientific Co., Ltd.
List of Directors elected at 2026 shareholders' meeting

Type of Candidates	Shareholder's account No. /ID	Candidates Name	Votes Received
Director	E120******	Zong-Han Jiang	201,057,243
Director	129731	E Ink Holdings Inc. Representative: Yung-Heng Chen	173,229,909
Director	129731	E Ink Holdings Inc. Representative: Cheng-Hao Lee	170,461,778
Director	54558	Chang Wah Electromaterials Inc. Representative: Jen-Feng Tsai	168,222,914
Independent Director	E120******	Wen-Tsai Wan	167,899,116
Independent Director	T121******	Yu-Chuan Chang	167,105,747
Independent Director	S220******	I-Ching Lin	166,860,619
Director	129731	E Ink Holdings Inc. Representative: Le-Chun Chen	166,100,705
Director	129731	E Ink Holdings Inc. Representative: Ning-Wei Chan	165,988,768

V. Other Matters

Subject: Proposal for release of non-compete restrictions for newly elected directors

(Proposed by the Board of Directors)

Explanation:

1. Pursuant to Article 209 of the Company Act, where a director engages, for himself/herself or on behalf of another, in any act that falls within the scope of the Company's business, the director shall explain to the shareholders' meeting the material details of such act and obtain its approval.

2. It is proposed to release the non-competition restrictions for the newly appointed directors as follows:

Title	Name	Positions for Which Non-Compete Restrictions Are to Be Released
Director	E Ink Holdings Inc.	Director, YuanHan Materials Inc. Director, New Field e-Paper Co., Ltd. Director, Linfiny Corporation Director, NXEPD Corporation
Director	Cheng-Hao Lee	Chairperson, E Ink Holdings Inc. Representative of Corporate Director, YuanHan Materials Inc. Representative of Corporate Director, New Field e-Paper Co., Ltd. Chairperson, Linfiny Corporation Chairperson, Hydis Technologies Co., Ltd. Chairperson, E Ink Corporation Chairperson, Linfiny Japan Inc. Chairperson, E Ink Japan Inc. Director, Prime View Communications Ltd. Representative of Corporate Director, E Ink Netherlands B.V. Representative of Corporate Director, E Ink Technology B.V. Representative of Corporate Director, PVI International Corp. Chairperson, Transcend Optronics (Yangzhou) Co., Ltd. Chairperson, Transyork Technology Yangzhou Ltd. Board Observer, VusionGroup Chairperson, ICM Communications Inc. Director, Jixin Investment Co., Ltd. Director, Foongtone Technology Co., Ltd.
Director	Yung-Heng Chen	Representative of Corporate Director, E Ink Holdings Inc. Executive Vice President of Operation Center, E Ink Holdings Inc. Chairperson, YuanHan Materials Inc. Director, E Ink Corporation Representative of Corporate Director, Dream Universe Limited

Title	Name	Positions for Which Non-Compete Restrictions Are to Be Released
		Representative of Corporate Director, Ruby Lustre Ltd. Director, Transcend Optronics (Yangzhou) Co., Ltd. Director, Transyork Technology Yangzhou Ltd.
Director	Le-Chun Chen	CFO, E Ink Holdings Inc. Director, Hydis Technologies Co., Ltd. (Korea) Chairperson, New Field e-Paper Co., Ltd. Representative of Corporate Director, PVI International Corporation (BVI)
Director	Ning-Wei Chan	Senior Assistant Vice President of Research and Development HQ, E Ink Holdings Inc. President, YuanHan Materials Inc.
Director	Chang Wah Electromaterials Inc.	Corporate Director, Chang Wah Technology Co., Ltd. Corporate Director, JMC Electronics Co., Ltd. Corporate Director, Vizionfocus Inc. Corporate Director, Advanced Echem Materials Company Ltd. Corporate Director, Tian Zheng International Precision Machinery Co., Ltd. Corporate Director, Wellstech Optical Co., Ltd. Corporate Director, Chang Wah Energy Technology Co., Ltd. Corporate Director, Silver Connection Co., Ltd.
Independent Director	Wen-Tsai Wan	Legal representative, Dongguan Tianzheng Precision Machinery Co., Ltd. Chairperson, Tian Zheng International Precision Machinery Co., Ltd. Chairperson, Master Machinery Technology Co., Ltd.
Independent Director	I-Ching Lin	Independent Director, Sun Rise E&T Corporation Independent Director, San Fang Chemical Industry Co., Ltd. Independent Director, Chang Wah Technology Co., Ltd.

3. The proposal is submitted for approval.

Resolution: The voting result showed that 169,775,685 votes were in favor of the proposal, which accounted for 87.59% of the total represented shares present; 3,949,062 votes were against the proposal; 20,090,191 votes were abstained/withhold; and there was no invalid vote. The proposal was ratified by the majority of voting rights represented at the time of voting.

VI. Extempore Motions:

Shareholder Questions and Company Responses: (Questions are unrelated to the aforementioned proposals and are presented in summary form.)
Remarks and Questions from Shareholder (No. 8)：
I would like to express my concerns regarding the reassignment of the institutional director representative on April 2. In fact, I was not included in the list of director candidates for this election. Under the normal course of events, I would have stepped down from the position of Chairman following the official re-election of directors at the shareholders' meeting on May 27.
Therefore, I do not understand why the Company was unwilling to wait for the lawful re-election process and instead adopted the controversial approach of replacing the chairman without a formal handover on April 2. I am puzzled by the motivation behind this action and question why the Company chose to take such a risk.

Response from the Chairperson or Designated Representative：(Summary below)
First, I would like to clearly report to all shareholders present that all procedures carried out by the Company on April 2 were conducted in accordance with applicable laws and regulations and have been recognized by the competent authorities.
Unless and until a final and binding court judgment is rendered, there is no doubt as to Mr. Yung-Heng Chen's status as the lawful Chairman of Taiflex. Accordingly, all exercises of authority and the convening of meetings under his leadership are legally valid and fully legitimate.
Today, we have also successfully elected the new directors. The list of director candidates participating in this election was nominated by the previous Board of Directors, and the election process has been successfully completed.
If any shareholder continues to have concerns or objections regarding the internal reassignment procedures of Chiao Mei, such matters should be addressed through appropriate legal channels, and the parties should await the final determination of the judicial authorities.

Remarks and Questions from Shareholder (No. 83407)：

As today's meeting has become rather lengthy, I would like to propose that the Chairperson declare the meeting adjourned.

Response from the Chairperson or Designated Representative：(Summary below)

As Shareholder No. 83407 proposed a motion for immediate adjournment, and Shareholder Nos. 148655 and 12310 subsequently raised the same request, the Chairperson ruled that the motion for adjournment be submitted to a vote.(Proposed by Shareholder No. 83407)

Resolution: The voting result showed that 135,259,990 votes were in favor of the proposal, which accounted for 69.78% of the total represented shares present; 3,615,239 votes were against the proposal; 0 votes were abstained/withhold; and 54,939,709 votes were invalid. The proposal by Shareholder No. 83407 was ratified by the majority of voting rights represented at the time of voting.

VII. Meeting Adjourned: 10:05 a.m., May 27, 2026

The minutes of the shareholders' meeting only states the key points of the meeting, and the results of the resolution. The content, procedures and shareholders' speeches of the meeting are based on the video of the meeting.

Attachment I - Audit Committee’s Review Report for 2025

Audit Committee’s Review Report

The Board of Directors has prepared the business report, consolidated and parent company only financial statements and earnings distribution proposal for the year ended December 31, 2025. Certified Public Accountants of Ernst & Young, Kuo-Sen Hung and Ching-Piao Cheng, were retained by the Board to audit the consolidated and parent company only financial statements and they have issued audit reports.

The above-mentioned business report, consolidated and parent company only financial statements and earnings distribution proposal have been reviewed and determined to be correct by the Audit Committee. We hereby submit this report in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Taiflex Scientific Co., Ltd.

Convener of the Audit Committee: Wen-I Lo

March 3, 2026

Attachment II - Independent Auditors' Report and 2025 Consolidated Financial Statements

Independent Auditors' Report

To Taiflex Scientific Co., Ltd.

Audit opinion

We have audited the consolidated balance sheets of Taiflex Scientific Co., Ltd. and its subsidiaries (hereinafter referred to as "Taiflex Group") as of December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to consolidated financial statements (including a summary on significant accounting policies).

In our opinion, the aforementioned consolidated financial statements present fairly, in all material respects, the consolidated financial status of Taiflex Group as of December 31, 2025 and 2024, and its consolidated financial performance and cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for audit opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of Taiflex Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China ("the Norm"), and we have fulfilled our other responsibilities in accordance with the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are ones that were of most significance in our audit of the consolidated financial statements of Taiflex Group for the year ended December 31, 2025 based on our professional judgment. These matters have been covered during the audit of the overall consolidated financial statements and in forming the audit opinion. We will not express a separate opinion on these matters. Key audit matters to be communicated on the independent auditors' report are stated as follows:

1. Impairment of accounts receivable

   Net accounts receivable generated from the selling of flexible copper-clad laminate and coverlay amounted to NT$3,701,564 thousand and accounted for 25% of Taiflex Group's consolidated total assets as of December 31, 2025. Hence, it was considered a material item to the Group. Loss allowance for accounts receivable was measured at an amount equal to lifetime expected credit losses. As the measurement of expected credit losses involved judgment, analysis and estimation and the outcome would affect the net accounts receivable, the impairment of accounts receivable was identified as a key audit matter.

Our audit procedures included, but not limited to, the assessment on the appropriateness of expected credit loss rate for accounts receivable, i.e., tests on the effectiveness of internal control established by the management for accounts receivable, random selection of customers for accounts receivable confirmations, and verification of subsequent collections, in order to assess the recoverability of accounts receivable. We tested the accuracy of aging, analyzed changes in aging, and assessed the reasonableness of accounts receivable with longer collection terms.

We also considered the appropriateness of disclosures on accounts receivable and associated risks in Notes 5 and 6 to the consolidated financial statements.

2. Inventory valuation

As of December 31, 2025, net inventories of flexible copper-clad laminate and coverlay amounted to NT$1,814,116 thousand; thus, it was a significant item to Taiflex Group. Due to uncertainties arising from rapid changes in product technologies, allowance for inventory obsolescence and valuation losses involved significant judgment of management. Hence, it was considered a key audit item.

Our audit procedures included, but not limited to, tests on the effectiveness of internal control established by the management for inventories, such as cost carryover of inventories, assessment on inventory status, evaluation on management's stocktaking plans, and on-site observation of stocktaking at major warehouses to ensure the quantities and conditions of inventories. We assessed the accuracy of inventory aging, analyzed movements in inventory aging, and considered the expected demand and market value of inventories. We evaluated management's analyses and assessments on obsolete inventories, including the estimations on the possibility of inventory realization and net realizable value, and tested whether the allowance for writing down inventories to their net realizable value was adequate.

We also considered the appropriateness of disclosures on inventories in Notes 5 and 6 to the consolidated financial statements.

Responsibilities of management and those charged with governance for the consolidated financial statements

The responsibilities of management are to prepare the consolidated financial statements with fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, IFRICs, and SICs endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and maintain necessary internal controls associated with the preparation in order to ensure the consolidated financial statements are free from material misstatement arising from fraud or error.

In preparing the consolidated financial statements, management is also responsible for assessing the ability of Taiflex Group in continuing as a going concern, disclosing associated matters and adopting the going concern basis of accounting unless the management intends to liquidate the Group or cease its operations, or has no realistic alternative but to do so.

Those charged with governance of Taiflex Group (including the Audit Committee) are responsible for supervising the financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance on whether the consolidated financial statements as a whole are free from material misstatement arising from fraud or error, and to issue an independent auditors' report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. If those amounts of misstatements, either individually or in the aggregate, could reasonably be expected to influence the economic decisions of financial statements users, they are considered material.

We have exercised professional judgment and professional skepticism when carrying out auditing work according to the auditing standards. We also perform the following tasks:

1. Identify and assess the risks of material misstatement arising from fraud or error within the consolidated financial statements; design and execute appropriate counter-measures in response to those risks, and obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Therefore, the risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error.

2. Understand internal controls relevant to the audit in order to design appropriate audit procedures under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Taiflex Group's internal control.

3. Evaluate the appropriateness of accounting policies adopted and the reasonableness of accounting estimates and relevant disclosures made by management.

4. Based on the audit evidence obtained, we conclude on the appropriateness of management's use of the going concern basis of accounting and whether a material uncertainty exists for events or conditions that may cast significant doubts on Taiflex Group's ability to continue as a going concern. If we are of the opinion that a material uncertainty exists, we shall remind users of the consolidated financial statements to pay attention to relevant disclosures in the notes to those statements within our audit report. If such disclosures are inadequate, we need to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may result in Taiflex Group ceasing to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements (including relevant notes), and whether the consolidated financial statements adequately represent the underlying transactions and events.

6. Obtain sufficient and appropriate audit evidence concerning the financial information of entities within Taiflex Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit and the preparation of an audit opinion on the Group.

Matters communicated between us and the governance bodies include the planned scope and timing of the audit, and significant audit findings (including any significant deficiencies in internal control identified during the audit).

We also provide governance bodies with a declaration that we have complied with the Norm regarding independence, and to communicate with them all relationships and other matters that may possibly be deemed to impair our independence (including relevant preventive measures).

From the matters communicated with governance bodies, we determine the key audit matters within the audit of Taiflex Group's consolidated financial statements for the year ended December 31, 2025.

We have clearly indicated such matters in the independent auditors' report, unless legal regulations prohibit the public disclosure of specific items, or in extremely rare cases, where we decided not to communicate over specific items in the independent auditors' report for it could be reasonably anticipated that the negative effects of such disclosure would be greater than the public interest it brings forth.

Others

Taiflex Scientific Co., Ltd. has also prepared parent company only financial statements for the years ended December 31, 2025 and 2024, which we had audited and issued an unqualified opinion.

Ernst & Young, Taiwan

March 3, 2026

TAIFLEX SCIENTIFIC COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
December 31, 2025 and 2024
(In Thousands of New Taiwan Dollars)

Assets	Notes	December 31, 2025	December 31, 2024
Current assets			
Cash and cash equivalents	4, 6(1)	$ 2,878,143	$ 2,889,347
Financial assets at fair value through profit or loss - current	4, 6(2)	36,157	32,401
Financial assets at amortized cost - current	4, 6(3)	429	200,000
Notes receivable, net	4, 6(4)	562,202	627,810
Accounts receivable, net	4, 6(5)	3,701,564	3,156,024
Other receivables		110,809	97,983
Inventories, net	4, 6(6)	1,814,116	1,652,327
Prepayments		67,966	71,131
Non-current assets held for sale	4, 6(7)	65,000	-
Other current assets	8	46,926	49,221
Total current assets		9,283,312	8,776,244
Non-current assets			
Financial assets at fair value through other comprehensive income - non-current	4, 6(8)	304,158	436,144
Investments accounted for using the equity method	4, 6(9)	7,452	10,252
Property, plant and equipment	4, 6(10)	4,555,109	4,725,152
Right-of-use assets	4, 6(22)	281,488	285,140
Intangible assets	4, 6(11,12)	139,011	142,075
Deferred income tax assets	4, 6(25)	174,954	135,495
Other non-current assets		21,712	16,989
Total non-current assets		5,483,884	5,751,247
Total assets		$ 14,767,196	$ 14,527,491

(The accompanying notes are an integral part of the consolidated financial statements.)

(Continued)

TAIFLEX SCIENTIFIC COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS-(Continued)
December 31, 2025 and 2024
(In Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	December 31, 2025	December 31, 2024
Current liabilities			
Short-term loans	6(13)	$ 376,950	$ 343,783
Financial liabilities at fair value through profit or loss - current	4, 6(14)	15,157	2,254
Contract liabilities - current	4, 6(20)	656	1,156
Notes payable		441	41,761
Accounts payable		1,408,125	1,332,192
Other payables		926,776	817,028
Current income tax liabilities	4, 6(25)	339,581	245,002
Lease liabilities - current	4, 6(22)	15,952	18,759
Current portion of long-term loans	6(16)	69,497	19,497
Other current liabilities		6,357	4,493
Total current liabilities		3,159,492	2,825,925
Non-current liabilities			
Bonds payable	6(15)	-	245,543
Long-term loans	6(16)	255,338	324,836
Deferred income tax liabilities	4, 6(25)	148,945	148,006
Lease liabilities - non-current	4, 6(22)	202,106	200,916
Net defined benefit liabilities - non-current	4, 6(17)	80,046	114,999
Other non-current liabilities	4, 12	416	1,741
Total non-current liabilities		686,851	1,036,041
Total liabilities		3,846,343	3,861,966
Equity attributable to shareholders of the parent			
Capital	6(18)		
Common stock		2,627,430	2,549,117
Capital collected in advance		1,840	13,653
Total capital		2,629,270	2,562,770
Capital surplus	6(18)	2,532,299	2,322,316
Retained earnings			
Legal reserve		1,294,762	1,208,439
Special reserve		75,546	164,692
Unappropriated earnings		4,216,608	4,211,013
Total retained earnings		5,586,916	5,584,144
Others	4	147,515	174,798
Total equity attributable to shareholders of the parent		10,896,000	10,644,028
Non-controlling interests	4, 6(18)	24,853	21,497
Total equity		10,920,853	10,665,525
Total liabilities and equity		$ 14,767,196	$ 14,527,491

(The accompanying notes are an integral part of the consolidated financial statements.)

(Concluded)

TAIFLEX SCIENTIFIC COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended December 31, 2025 and 2024
(In Thousands of New Taiwan Dollars)

	Notes	2025	2024
Operating revenue	4, 6(20)	$ 10,609,440	$ 9,938,135
Operating costs	4, 6(6,23)	(8,568,425)	(7,800,358)
Gross profit		2,041,015	2,137,777
Operating expenses	4, 6(23)		
Sales and marketing expenses		(508,188)	(503,523)
General and administrative expenses		(554,868)	(548,778)
Research and development expenses		(458,982)	(394,321)
Expected credit loss	6(21)	(27,862)	(28,434)
Total operating expenses		(1,549,900)	(1,475,056)
Operating income		491,115	662,721
Non-operating income and expenses	6(24)		
Interest income		34,513	36,731
Other income		31,745	26,168
Other gains and losses		67,827	38,405
Finance costs		(22,581)	(31,345)
Expected credit gain (loss)	6(21)	15,670	(29,571)
Share of profit or loss of associates accounted for using the equity method	4, 6(9)	(3,538)	(2,109)
Total non-operating income and expenses		123,636	38,279
Income before income tax from continuing operations		614,751	701,000
Income tax expense	4, 6(25)	(89,726)	(168,512)
Net income from continuing operations		525,025	532,488
Net income		525,025	532,488
Other comprehensive income	6(24)		
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit plan		9,049	21,643
Unrealized gain on investments in equity instruments at fair value through other comprehensive income		36,853	465,128
Income tax related to items that will not be reclassified subsequently		(1,809)	(4,329)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		46,193	159,930
Income tax related to items that may be reclassified subsequently to profit or loss		(9,239)	(31,974)
Total other comprehensive income, net of tax		81,047	610,398
Total comprehensive income		$ 606,072	$ 1,142,886
Net income attributable to:	4, 6(18,26)		
Shareholders of the parent		$ 535,119	$ 592,776
Non-controlling interests		(10,094)	(60,288)
		$ 525,025	$ 532,488
Total comprehensive income attributable to:			
Shareholders of the parent		$ 616,181	$ 1,202,714
Non-controlling interests		(10,109)	(59,828)
		$ 606,072	$ 1,142,886
Earnings per share (NT$)	4, 6(26)		
Earnings per share - basic		$ 2.07	$ 2.53
Earnings per share - diluted		$ 2.04	$ 2.32

(The accompanying notes are an integral part of the consolidated financial statements.)

TAIFLEX SCIENTIFIC COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Years Ended December 31, 2025 and 2024
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Shareholders of the Parent										
	Capital			Retained Earnings			Others				
Item	Common Stock	Capital Collected in Advance	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value through Other Comprehensive Income	Total	Non-Controlling Interests	Total Equity
Balance as of January 1, 2024	$ 2,091,197	$ -	$ 1,026,197	$ 1,163,891	$ 310,176	$ 3,560,533	$ (196,494)	$ 31,802	$ 7,987,302	$ 81,325	$ 8,068,627
Appropriation and distribution of 2023 earnings											
Legal reserve				44,548		(44,548)			-		-
Cash dividends for common stocks						(209,120)			(209,120)		(209,120)
Stock dividends for common stocks	104,560					(104,560)			-		-
Reversal of special reserve					(145,484)	145,484			-		-
Conversion of convertible bonds	353,360	13,653	1,288,025						1,655,038		1,655,038
Changes in other capital surplus											
Changes from investments in associates accounted for using the equity method			35						35		35
Net income for the year ended December 31, 2024						592,776			592,776	(60,288)	532,488
Other comprehensive income for the year ended December 31, 2024						17,314	127,496	465,128	609,938	460	610,398
Total comprehensive income	-	-	-	-	-	610,090	127,496	465,128	1,202,714	(59,828)	1,142,886
Disposal of investments accounted for using the equity method			(29)						(29)		(29)
Share-based payment transactions			8,088						8,088		8,088
Disposal of equity instruments at fair value through other comprehensive income						253,134		(253,134)	-		-
Balance as of December 31, 2024	$ 2,549,117	$ 13,653	$ 2,322,316	$ 1,208,439	$ 164,692	$ 4,211,013	$ (68,998)	$ 243,796	$ 10,644,028	$ 21,497	$ 10,665,525
Balance as of January 1, 2025	$ 2,549,117	$ 13,653	$ 2,322,316	$ 1,208,439	$ 164,692	$ 4,211,013	$ (68,998)	$ 243,796	$ 10,644,028	$ 21,497	$ 10,665,525
Appropriation and distribution of 2024 earnings											
Legal reserve				86,323		(86,323)			-		-
Cash dividends for common stocks						(640,692)			(640,692)		(640,692)
Reversal of special reserve					(89,146)	89,146			-		-
Conversion of convertible bonds	72,683	(13,653)	187,611						246,641		246,641
Net income for the year ended December 31, 2025						535,119			535,119	(10,094)	525,025
Other comprehensive income for the year ended December 31, 2025						7,240	36,969	36,853	81,062	(15)	81,047
Total comprehensive income	-	-	-	-	-	542,359	36,969	36,853	616,181	(10,109)	606,072
Disposal of subsidiaries			(7,104)						(7,104)	(110,129)	(117,233)
Changes in percentage of ownership interests in subsidiaries			7,104						7,104	(7,104)	-
Share-based payment transactions	5,630	1,840	22,372						29,842		29,842
Changes in non-controlling interests									-	130,698	130,698
Disposal of equity instruments at fair value through other comprehensive income						101,105		(101,105)	-		-
Balance as of December 31, 2025	$ 2,627,430	$ 1,840	$ 2,532,299	$ 1,294,762	$ 75,546	$ 4,216,608	$ (32,029)	$ 179,544	$ 10,896,000	$ 24,853	$ 10,920,853

(The accompanying notes are an integral part of the consolidated financial statements.)

TAIFLEX SCIENTIFIC COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2025 and 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
Cash flows from operating activities:		
Income before income tax	$ 614,751	$ 701,000
Adjustments:		
Non-cash income and expense items:		
Depreciation	524,199	507,744
Amortization	22,153	21,834
Expected credit loss	12,192	58,005
Net (gain) loss on financial assets (liabilities) at fair value through profit or loss	(36,189)	31,054
Interest expense	22,581	31,345
Interest income	(34,513)	(36,731)
Dividend income	(10,776)	(10,574)
Compensation costs of share-based payments	2,297	8,088
Share of loss of associates accounted for using the equity method	3,538	2,109
(Gain) loss on disposal of property, plant and equipment	(761)	33,450
Gain on disposal of investments accounted for using the equity method	(13,430)	(4,178)
Impairment loss of non-financial assets (reversed) recognized	(1,020)	26,228
Others	103,086	42,595
Changes in operating assets and liabilities:		
Decrease (increase) in financial assets mandatorily at fair value through profit or loss	44,941	(31,721)
Decrease in notes receivable	65,608	93,172
Increase in accounts receivable	(570,909)	(90,736)
Decrease (increase) in other receivables	788	(43,729)
Increase in inventories	(267,350)	(285,197)
Increase in prepayments	(7,769)	(12,481)
Decrease in other current assets	2,329	453
Increase in other non-current assets	-	(786)
Increase (decrease) in contract liabilities	6,500	(317)
(Decrease) increase in notes payable	(41,320)	23,183
Increase in accounts payable	133,609	289,768
Increase in other payables	158,227	167,465
Increase in other current liabilities	2,178	603
(Decrease) increase in net defined benefit liabilities	(25,904)	4,000
Cash generated from operations	709,036	1,525,646
Interest received	35,049	35,223
Dividend received	10,776	10,574
Interest paid	(16,216)	(15,943)
Income tax paid	(31,179)	(134,704)
Net cash generated by operating activities	707,466	1,420,796

(The accompanying notes are an integral part of the consolidated financial statements.)

(Continued)

TAIFLEX SCIENTIFIC COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS-(Continued)
For the Years Ended December 31, 2025 and 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
Cash flows from investing activities:		
Disposal of financial assets at fair value through other comprehensive income	$ 168,839	$ 455,645
Acquisition of financial assets at amortized cost	-	(200,000)
Disposal of financial assets at amortized cost	199,571	-
Acquisition of investments accounted for using the equity method	(50,000)	-
Acquisition of subsidiaries (net of cash acquired)	14,745	-
Disposal of subsidiaries	48,883	6,975
Acquisition of property, plant and equipment	(594,799)	(693,200)
Disposal of property, plant and equipment	3,596	15,591
Increase in refundable deposits	-	(1,988)
Decrease in refundable deposits	560	-
Acquisition of intangible assets	(1,253)	(8,057)
Increase in other current assets - other financial assets - current	-	(885)
Decrease in other current assets - other financial assets - current	137	-
Net cash used in investing activities	(209,721)	(425,919)
Cash flows from financing activities:		
Increase in short-term loans	82,967	124,924
Repayment of long-term loans	(19,498)	(37,648)
Decrease in guarantee deposits received	(1,325)	(14,258)
Repayment of lease principal	(27,610)	(29,097)
Distribution of cash dividends	(640,692)	(209,120)
Exercise of employee stock options	27,545	-
Changes in non-controlling interests	60,000	-
Net cash used in financing activities	(518,613)	(165,199)
Effect of exchange rate changes on cash and cash equivalents	9,664	94,248
Net (decrease) increase in cash and cash equivalents	(11,204)	923,926
Cash and cash equivalents at beginning of period	2,889,347	1,965,421
Cash and cash equivalents at end of period	$ 2,878,143	$ 2,889,347

(The accompanying notes are an integral part of the consolidated financial statements.)

(Concluded)

Independent Auditors' Report and 2025 Parent Company Only Financial Statements

Independent Auditors' Report

To Taiflex Scientific Co., Ltd.

Audit opinion

We have audited the parent company only balance sheets of Taiflex Scientific Co., Ltd. (hereinafter referred to as "Taiflex" or "the Company") as of December 31, 2025 and 2024, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to parent company only financial statements (including a summary on significant accounting policies).

In our opinion, the aforementioned parent company only financial statements present fairly, in all material respects, the financial status of the Company as of December 31, 2025 and 2024, and its financial performance and cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for audit opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China ("the Norm"), and we have fulfilled our other responsibilities in accordance with the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are ones that were of most significance in our audit of the parent company only financial statements of the Company for the year ended December 31, 2025 based on our professional judgment. These matters have been covered during the audit of the overall parent company only financial statements and in forming the audit opinion. We will not express a separate opinion on these matters. Key audit matters to be communicated on the independent auditors' report are stated as follows:

1. Impairment of accounts receivable

   Net accounts receivable generated from the selling of flexible copper-clad laminate and coverlay amounted to NT$2,562,849 thousand and accounted for 18% of the Company's total assets as of December 31, 2025. Hence, it was considered a material item to the Company. Loss allowance for accounts receivable was measured at an amount equal to lifetime expected credit losses. As the measurement of expected credit losses involved judgment, analysis and estimation and the outcome would affect the net accounts receivable, the impairment of accounts receivable was identified as a key audit matter.

   Our audit procedures included, but not limited to, the assessment on the appropriateness of expected credit loss rate for accounts receivable, i.e., tests on the effectiveness of internal control established by the management for accounts receivable, random selection of customers for accounts receivable confirmations, and verification of subsequent collections, in order to assess the recoverability of accounts receivable. We tested the accuracy of aging, analyzed changes in aging, and assessed the reasonableness of accounts receivable with longer collection terms.

We also considered the appropriateness of disclosures on accounts receivable and associated risks in Notes 5 and 6 to the parent company only financial statements.

2. Inventory valuation

As of December 31, 2025, net inventories of flexible copper-clad laminate and coverlay amounted to NT$1,199,807 thousand; thus, it was a significant item to the Company. Due to uncertainties arising from rapid changes in product technologies, allowance for inventory obsolescence and valuation losses involved significant judgment of management. Hence, it was considered a key audit item.

Our audit procedures included, but not limited to, tests on the effectiveness of internal control established by the management for inventories, such as cost carryover of inventories, assessment on inventory status, evaluation on management’s stocktaking plans, and on-site observation of stocktaking at major warehouses to ensure the quantities and conditions of inventories. We assessed the accuracy of inventory aging, analyzed movements in inventory aging, and considered the expected demand and market value of inventories. We evaluated management’s analyses and assessments on obsolete inventories, including the estimations on the possibility of inventory realization and net realizable value, and tested whether the allowance for writing down inventories to their net realizable value was adequate.

We also considered the appropriateness of disclosures on inventories in Notes 5 and 6 to the parent company only financial statements.

Responsibilities of management and those charged with governance for the parent company only financial statements

The responsibilities of management are to prepare the parent company only financial statements with fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and maintain necessary internal controls associated with the preparation in order to ensure the financial statements are free from material misstatement arising from fraud or error.

In preparing the parent company only financial statements, management is also responsible for assessing the ability of the Company in continuing as a going concern, disclosing associated matters and adopting the going concern basis of accounting unless the management intends to liquidate the Company or cease its operations, or has no realistic alternative but to do so.

Those charged with governance of the Company (including the Audit Committee) are responsible for supervising the financial reporting process.

Auditors’ responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance on whether the parent company only financial statements as a whole are free from material misstatement arising from fraud or error, and to issue an independent auditors’ report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. If those amounts of misstatements, either individually or in the aggregate, could reasonably be expected to influence the economic decisions of financial statements users, they are considered material.

We have exercised professional judgment and professional skepticism when carrying out auditing work according to the auditing standards. We also perform the following tasks:

1. Identify and assess the risks of material misstatement arising from fraud or error within the parent company only financial statements; design and execute appropriate counter-measures in response to those risks, and obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Therefore, the risk of not detecting a material misstatement resulting from fraud or error is higher than for one resulting from error.

2. Understand internal controls relevant to the audit in order to design appropriate audit procedures under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies adopted and the reasonableness of accounting estimates and relevant disclosures made by management.

4. Based on the audit evidence obtained, we conclude on the appropriateness of management's use of the going concern basis of accounting and whether a material uncertainty exists for events or conditions that may cast significant doubts on the Company's ability to continue as a going concern. If we are of the opinion that a material uncertainty exists, we shall remind users of the parent company only financial statements to pay attention to relevant disclosures in the notes to those statements within our audit report. If such disclosures are inadequate, we need to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may result in the Company ceasing to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements (including relevant notes), and whether the parent company only financial statements adequately represent the underlying transactions and events.

6. Obtain sufficient and appropriate audit evidence concerning the financial information of entities within the group to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision, and performance of the audit on those investees and the preparation of an audit opinion on the group.

Matters communicated between us and the governance bodies include the planned scope and timing of the audit, and significant audit findings (including any significant deficiencies in internal control identified during the audit).

We also provide governance bodies with a declaration that we have complied with the Norm regarding independence, and to communicate with them all relationships and other matters that may possibly be deemed to impair our independence (including relevant preventive measures).

From the matters communicated with governance bodies, we determine the key audit matters within the audit of the Company's parent company only financial statements for the year ended December 31, 2025. We have clearly indicated such matters in the independent auditors' report, unless legal regulations prohibit the public disclosure of specific items, or in extremely rare cases, where we decided not to communicate over specific items in the independent auditors' report for it could be reasonably anticipated that the negative effects of such disclosure would be greater than the public interest it brings forth.

Ernst & Young, Taiwan

March 3, 2026

TAIFLEX SCIENTIFIC COMPANY LIMITED
PARENT COMPANY ONLY BALANCE SHEETS
December 31, 2025 and 2024
(In Thousands of New Taiwan Dollars)

Assets	Notes	December 31, 2025	December 31, 2024
Current assets			
Cash and cash equivalents	4, 6(1)	$ 2,089,398	$ 1,924,786
Financial assets at fair value through profit or loss - current	4, 6(2)	36,157	32,385
Financial assets at amortized cost - current	4, 6(3)	429	200,000
Notes receivable, net	4, 6(4)	391	576
Accounts receivable, net	4, 6(5)	2,562,849	1,965,745
Accounts receivable - related parties	6(5), 7	662,527	712,149
Other receivables		43,296	36,789
Other receivables - related parties	7	110,831	56,055
Inventories, net	4, 6(6)	1,199,807	1,060,223
Prepayments		26,073	20,785
Non-current assets held for sale	4, 6(7)	65,000	-
Other current assets	8	20,658	21,050
Total current assets		6,817,416	6,030,543
Non-current assets			
Financial assets at fair value through other comprehensive income - non-current	4, 6(8)	304,158	436,144
Investments accounted for using the equity method	4, 6(9)	4,292,591	4,453,459
Property, plant and equipment	4, 6(10)	2,033,819	2,206,847
Right-of-use assets	4, 6(20)	194,274	197,922
Intangible assets	4, 6(11)	64,495	67,304
Deferred income tax assets	4, 6(23)	148,957	118,250
Other non-current assets		28,125	7,346
Total non-current assets		7,066,419	7,487,272
Total assets		$ 13,883,835	$ 13,517,815

(The accompanying notes are an integral part of the parent company only financial statements.)

(Continued)

TAIFLEX SCIENTIFIC COMPANY LIMITED
PARENT COMPANY ONLY BALANCE SHEETS-(Continued)
December 31, 2025 and 2024
(In Thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	December 31, 2025	December 31, 2024
Current liabilities			
Financial liabilities at fair value through profit or loss - current	4, 6(12)	$ 15,157	$ 2,254
Contract liabilities - current	4, 6(18)	128	190
Notes payable		1	3
Accounts payable		1,142,234	1,065,303
Accounts payable - related parties	7	75,068	17,796
Other payables		737,545	610,427
Other payables - related parties	7	47,899	30,061
Current income tax liabilities	4, 6(23)	330,445	228,373
Lease liabilities - current	4, 6(20)	12,241	12,021
Current portion of long-term loans		50,000	-
Other current liabilities		5,672	3,197
Total current liabilities		2,416,390	1,969,625
Non-current liabilities			
Bonds payable	6(13)	-	245,543
Long-term loans	6(14)	150,000	200,000
Deferred income tax liabilities	4, 6(23)	147,796	147,263
Lease liabilities - non-current	4, 6(20)	193,603	196,357
Net defined benefit liabilities - non-current	4, 6(15)	80,046	114,999
Total non-current liabilities		571,445	904,162
Total liabilities		2,987,835	2,873,787
Equity			
Capital	6(16)		
Common stock		2,627,430	2,549,117
Capital collected in advance		1,840	13,653
Total capital		2,629,270	2,562,770
Capital surplus	6(16)	2,532,299	2,322,316
Retained earnings			
Legal reserve		1,294,762	1,208,439
Special reserve		75,546	164,692
Unappropriated earnings		4,216,608	4,211,013
Total retained earnings		5,586,916	5,584,144
Others	4	147,515	174,798
Total equity		10,896,000	10,644,028
Total liabilities and equity		$ 13,883,835	$ 13,517,815

(The accompanying notes are an integral part of the parent company only financial statements.)

(Concluded)

TAIFLEX SCIENTIFIC COMPANY LIMITED
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
For the Years Ended December 31, 2025 and 2024
(In Thousands of New Taiwan Dollars)

	Notes	2025	2024
Operating revenue	4, 6(18), 7	$ 8,753,742	$ 8,215,429
Operating costs	4, 6(6,21), 7	(6,933,002)	(6,459,603)
Gross profit		1,820,740	1,755,826
Realized gain/(loss) on transactions with associates		2,815	(3,554)
Gross profit, net		1,823,555	1,752,272
Operating expenses	4, 6(21)		
Sales and marketing expenses		(336,123)	(330,536)
General and administrative expenses		(395,915)	(394,181)
Research and development expenses		(417,157)	(331,626)
Expected credit gain (loss)	6(19)	34,857	(23,257)
Total operating expenses		(1,114,338)	(1,079,600)
Operating income		709,217	672,672
Non-operating income and expenses	6(22)		
Interest income		29,342	26,224
Other income		34,202	37,965
Other gains and losses		66,970	97,861
Finance costs		(8,885)	(18,245)
Share of profit or loss of subsidiaries and associates accounted for using the equity method	4, 6(9)	(207,242)	(88,077)
Total non-operating income and expenses		(85,613)	55,728
Income before income tax from continuing operations		623,604	728,400
Income tax expense	4, 6(23)	(88,485)	(135,624)
Net income from continuing operations		535,119	592,776
Net income		535,119	592,776
Other comprehensive income (loss)	6(22)		
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit plan		9,049	21,643
Unrealized gain on investments in equity instruments at fair value through other comprehensive income		36,853	465,128
Income tax related to items that will not be reclassified subsequently	6(23)	(1,809)	(4,329)
Items that may be reclassified subsequently to profit or loss	6(22)		
Exchange differences on translation of foreign operations		46,211	159,354
Income tax related to items that may be reclassified subsequently to profit or loss	6(23)	(9,242)	(31,858)
Total other comprehensive income (loss), net of tax		81,062	609,938
Total comprehensive income		$ 616,181	$ 1,202,714
Earnings per share (NT$)	4, 6(24)		
Earnings per share - basic		$ 2.07	$ 2.53
Earnings per share - diluted		$ 2.04	$ 2.32

(The accompanying notes are an integral part of the parent company only financial statements.)

TAIFLEX SCIENTIFIC COMPANY LIMITED
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
For the Years Ended December 31, 2025 and 2024
(In Thousands of New Taiwan Dollars)

	Capital			Retained Earnings			Others		
Item	Common Stock	Capital Collected in Advance	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value through Other Comprehensive Income	Total Equity
Balance as of January 1, 2024	$ 2,091,197	$ -	$ 1,026,197	$ 1,163,891	$ 310,176	$ 3,560,533	$ (196,494)	$ 31,802	$ 7,987,302
Appropriation and distribution of 2023 earnings									
Legal reserve				44,548		(44,548)			-
Cash dividends for common stocks						(209,120)			(209,120)
Stock dividends for common stocks	104,560					(104,560)			
Reversal of special reserve					(145,484)	145,484			
Conversion of convertible bonds	353,360	13,653	1,288,025						1,655,038
Changes in other capital surplus									
Changes from investments in associates accounted for using the equity method			394						394
Net income for the year ended December 31, 2024						592,776			592,776
Other comprehensive income (loss) for the year ended December 31, 2024						17,314	127,496	465,128	609,938
Total comprehensive income	-	-	-	-	-	610,090	127,496	465,128	1,202,714
Disposal of investments accounted for using the equity method			(29)						(29)
Share-based payment transactions			7,729					(253,134)	7,729
Disposal of equity instruments at fair value through other comprehensive income						253,134			
Balance as of December 31, 2024	$ 2,549,117	$ 13,653	$ 2,322,316	$ 1,208,439	$ 164,692	$ 4,211,013	$ (68,998)	$ 243,796	$ 10,644,028
Balance as of January 1, 2025	$ 2,549,117	$ 13,653	$ 2,322,316	$ 1,208,439	$ 164,692	$ 4,211,013	$ (68,998)	$ 243,796	$ 10,644,028
Appropriation and distribution of 2024 earnings									
Legal reserve				86,323		(86,323)			-
Cash dividends for common stocks						(640,692)			(640,692)
Reversal of special reserve					(89,146)	89,146			-
Conversion of convertible bonds	72,683	(13,653)	187,611						246,641
Net income for the year ended December 31, 2025						535,119			535,119
Other comprehensive income (loss) for the year ended December 31, 2025						7,240	36,969	36,853	81,062
Total comprehensive income	-	-	-	-	-	542,359	36,969	36,853	616,181
Disposal of investments accounted for using the equity method			(7,104)						(7,104)
Changes in percentage of ownership interests in subsidiaries			7,104						7,104
Share-based payment transactions	5,630	1,840	22,372						29,842
Disposal of equity instruments at fair value through other comprehensive income						101,105		(101,105)	-
Balance as of December 31, 2025	$ 2,627,430	$ 1,840	$ 2,532,299	$ 1,294,762	$ 75,546	$ 4,216,608	$ (32,029)	$ 179,544	$ 10,896,000

(The accompanying notes are an integral part of the parent company only financial statements.)

TAIFLEX SCIENTIFIC COMPANY LIMITED
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2025 and 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
Cash flows from operating activities:		
Income before income tax	$ 623,604	$ 728,400
Adjustments:		
Non-cash income and expense items:		
Depreciation	311,591	317,150
Amortization	17,917	19,629
Expected credit (gain) loss	(34,857)	23,257
Net loss on financial assets (liabilities) at fair value through profit or loss	36,204	30,991
Interest expense	8,885	18,245
Interest income	(29,342)	(26,224)
Dividend income	(10,776)	(10,574)
Compensation costs of share-based payments	2,003	7,729
Share of loss of associates accounted for using the equity method	207,242	88,077
Gain on disposal of property, plant and equipment	(365)	(675)
Gain on disposal of investments accounted for using the equity method	(13,429)	(3,914)
Others	123,281	34,416
Changes in operating assets and liabilities:		
Increase in financial assets mandatorily at fair value through profit or loss	(27,468)	(31,720)
Decrease (increase) in notes receivable	185	(132)
Increase in accounts receivable	(562,247)	(21,034)
Decrease (increase) in accounts receivable - related parties	49,622	(66,705)
Increase in other receivables	(7,067)	(9,493)
(Increase) decrease in other receivables - related parties	(4,776)	214,296
Increase in inventories	(256,524)	(101,696)
Increase in prepayments	(5,288)	(2,419)
Decrease in other current assets	159	1,424
(Decrease) increase in contract liabilities	(62)	181
(Decrease) increase in notes payable	(2)	3
Increase in accounts payable	76,931	130,587
Increase (decrease) in accounts payable - related parties	57,272	(15,671)
Increase in other payables	132,211	160,723
Increase in other payables - related parties	17,838	9,712
(Decrease) increase in other current liabilities	(965)	3,910
(Decrease) increase in net defined benefit liabilities	(25,904)	4,000
Cash generated from operations	685,873	1,502,473
Interest received	29,902	24,692
Dividend received	27,776	51,061
Interest paid	(3,675)	(3,451)
Income tax paid	(27,638)	(118,436)
Net cash generated by operating activities	712,238	1,456,339

(The accompanying notes are an integral part of the parent company only financial statements.)

(Continued)

TAIFLEX SCIENTIFIC COMPANY LIMITED
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS-(Continued)
For the Years Ended December 31, 2025 and 2024
(In Thousands of New Taiwan Dollars)

	2025	2024
Cash flows from investing activities:		
Disposal of financial assets at fair value through other comprehensive income	$ 168,839	$ 455,645
Acquisition of financial assets at amortized cost	-	(200,000)
Disposal of financial assets at amortized cost	199,571	-
Acquisition of investments accounted for using the equity method	(50,000)	(265,393)
Acquisition of subsidiaries	(65,000)	-
Disposal of subsidiaries	50,000	7,520
Acquisition of property, plant and equipment	(185,686)	(173,664)
Disposal of property, plant and equipment	35,238	1,060
Increase in refundable deposits	(20,779)	(817)
(Increase) decrease in other receivables - related parties	(50,000)	-
Acquisition of intangible assets	(240)	(7,601)
Increase in other current assets - other financial assets - current	-	(127)
Decrease in other current assets - other financial assets - current	233	-
Net cash generated by (used in) investing activities	82,176	(183,377)
Cash flows from financing activities:		
Repayment of lease principal	(16,655)	(16,603)
Distribution of cash dividends	(640,692)	(209,120)
Exercise of employee stock options	27,545	-
Net cash used in financing activities	(629,802)	(225,723)
Net increase in cash and cash equivalents	164,612	1,047,239
Cash and cash equivalents at beginning of period	1,924,786	877,547
Cash and cash equivalents at end of period	$ 2,089,398	$ 1,924,786

(The accompanying notes are an integral part of the parent company only financial statements.)

(Concluded)

Attachment III - List of Director Candidates

Taiflex Scientific Co., Ltd.

List of Director Candidates

Type of Candidate	Name	Education	Work Experience	Current Position	Name of the Government or Corporate Represented	Shareholding (Shares)
Director	Zong-Han Jiang	Master of Mechanical Engineering, University of Southern California	• Former Assistant Vice President, Ko-E Limited, Yageo Corp. • President, Taiflex Scientific Co., Ltd.	• Chairperson, Taiflex USA Corporation • Chairperson, Taiflex Scientific Japan Co., Ltd. • Chairperson, Kunshan Taiflex Electronic Co., Ltd. • Chairperson, Shenzhen Taiflex Electronic Co., Ltd. • Director, Rudong Fuzhan Scientific Co., Ltd. • Representative of Corporate Director, Taichem Materials Co., Ltd. • Director, Taiflex Scientific (Thailand) Co., Ltd.	None	0
Director	Cheng-Hao Lee	Bachelor of Economics and Electrical Engineering, Tufts University	• Chairperson, E Ink Holdings Inc.	• Chairperson, E Ink Holdings Inc. • Representative of Corporate Director, YuanHan Materials Inc. • Representative of Corporate Director, New Field e-Paper Co., Ltd. • Chairperson, Linfiny Corporation • Chairperson, Hydis Technologies Co., Ltd. • Chairperson, E Ink Corporation • Chairperson, Linfiny Japan Inc. • Chairperson, E Ink Japan Inc. • Director, Prime View Communications Ltd. • Representative of Corporate Director, E Ink Netherlands B.V. • Representative of Corporate Director, E Ink Technology B.V. • Representative of Corporate Director, PVI International Corp.	E Ink Holdings Inc.	12,310,000

Type of Candidate	Name	Education	Work Experience	Current Position	Name of the Government or Corporate Represented	Shareholding (Shares)
				• Chairperson, Transcend Optronics (Yangzhou) Co., Ltd. • Chairperson, Transyork Technology Yangzhou Ltd. • Board Observer, VusionGroup • Chairperson of ICM Communications Inc. • Director, Jixin Investment Co., Ltd. • Director, Foongtone Technology Co., Ltd.		
Director	Yung-Heng Chen	Masters of Electrical Engineering & Industrial Engineering, New Mexico State University	• Executive Vice President of Operation Center, E Ink Holdings Inc.	• Representative of Corporate Director, E Ink Holdings Inc. • Executive Vice President of Operation Center, E Ink Holdings Inc. • Chairperson, YuanHan Materials Inc. • Director, E Ink Corporation • Representative of Corporate Director, Dream Universe Limited • Representative of Corporate Director, Ruby Lustre Ltd. • Director, Transcend Optronics (Yangzhou) Co., Ltd. • Director, Transyork Technology Yangzhou Ltd.	E Ink Holdings Inc.	12,310,000
Director	Le-Chun Chen	Master of Business Administration (Finance), CUNY Bachelor of Economics (Accounting), Macquarie University, Sydney	• CFO, E Ink Holdings Inc.	• CFO, E Ink Holdings Inc. • Director, Hydis Technologies Co., Ltd. • Chairperson, New Field e-Paper Co., Ltd. • Representative of Corporate Director, PVI International Corporation (BVI)	E Ink Holdings Inc.	12,310,000
Director	Ning-Wei Chan	Ph.D. in Chemistry, National Tsing Hua University	• Senior Assistant Vice President of Research and Development Center, E Ink Holdings Inc.	• Senior Assistant Vice President of Research and Development HQ, E Ink Holdings Inc. • President, YuanHan Materials Inc.	E Ink Holdings Inc.	12,310,000

Type of Candidate	Name	Education	Work Experience	Current Position	Name of the Government or Corporate Represented	Shareholding (Shares)
Director	Jen-Feng Tsai	Department of Applied Physics, Tamkang University	• Former Vice President, Taiflex Scientific Co., Ltd. • Former President of Sales, Chang Wah Electromaterials Inc. • Fomer President, ThinFlex Corporation • Former Representative of Corporate Director, JMC Electronics Co., Ltd.	None	Chang Wah Electromaterials Inc.	15,002,336
Independent Director	Wen-Tsai Wan	Department of Mechanical Engineering, Chin-Yi Institute of Technology	• Former Engineer, Hui Tung Weight Scale Mfg. Co., Ltd. • Former Chairperson, JMC Electronics Co., Ltd. • Former Chairperson, Omnitek Technology Co., Ltd. • Former President, Tian Zheng International Precision Machinery Co., Ltd.	• Director of WenZheng Investment Co., Ltd. • Legal representative, Dongguan Tianzheng Precision Machinery Co., Ltd. • Chairperson, Tian Zheng International Precision Machinery Co., Ltd. • Chairperson, Master Machinery Technology Co., Ltd.	None	0
Independent Director	Yu-Chuan Chang	Bachelor of Electrical Engineering, National Taiwan University of Science and Technology	• Fomer President, Radiant Opto-Electronics Corporation • Former Plant Manager, ZhenAn Steel Co., Ltd.	None	None	0
Independent Director	I-Ching Lin	Bachelor of Accounting, Tunghai University	• Former Director, Deloitte Taiwan • Former Manager, Deloitte & Touche (Taiwan)	• CPA, Jing Cheng Accounting Firm • Legal Representative, Jing Cheng Management Consulting Co., Ltd • Independent Director, Sun Rise E&T Corporation • Independent Director, San Fang Chemical Industry Co., Ltd. • Independent Director, Chang Wah Technology Co., Ltd.	None	0